

FORM

N-336

(2006)

**KO OLINA RESORT AND MARINA ATTRACTIONS
AND EDUCATIONAL FACILITIES TAX CREDIT**TAX
YEAR**20**__ __

Or fiscal year beginning _____, 20____, and ending _____, 20____

• PRINT OR TYPE •	Taxpayer Name(s)	SSN or FEIN
	Dba or C/O	
	Address (Number and street)	
	City or town, State, ZIP Code. If this is a foreign address, see Instructions.	

Part I COMPUTATION OF TAX CREDIT

(All claims for tax credits have been certified by Department of Business, Economic Development, and Tourism (DBEDT)).
Certificates issued by DBEDT (Form N-335) covering this reporting period **MUST** be attached to this form.

1. Enter the amount of tax credit certified by DBEDT for the above-named taxpayer.	1	
2. Enter the amount of certified tax credit distributed to shareholders, partners, or beneficiaries.	2	
3. Subtract line 2 from line 1 and enter result.	3	
4. Flow through of the certified tax credit received from other entities, if any: Check the applicable box below. Enter the name and Federal Employer I.D. No. of Entity		
<input type="checkbox"/> a. S corporation shareholder – enter amount from Schedule K-1 (Form N-35), line 12p		
<input type="checkbox"/> b. Partner – enter amount from Schedule K-1 (Form N-20), line 26		
<input type="checkbox"/> c. Beneficiary – enter amount from Schedule K-1 (Form N-40), line 10	4	
5. Add lines 3 and 4 and enter result.	5	
6. Enter the certified tax credit(s) indicated for the earlier calendar year which were used in periods before the beginning of the fiscal year.	6	
7. Subtract line 6 from line 5 and enter result.	7	
8. Enter amount of tax credit, if any, used for the taxable year, year-to-date	8	
9. Subtract line 8 from line 7 and enter result. Certified tax credit available for use.	9	

(a) Application of Tax Credits	(b) Tax Liability (Indicate Tax Period)	(c) Amount From Line 9 Applied to Tax Liability	(d) Balance
10. Chapter 239, public service company tax			
11. Chapter 241, taxation of franchise and other financial corporations			
12. Chapter 237 and 238, general excise and use taxes *HI Tax I.D. No. W _____ - _____			
13. Chapter 237D, transient accommodations tax, *HI Tax I.D. No. W _____ - _____			
14. Chapter 431, insurance			
15. Chapter 235, income tax			
16. TOTALS			

* If the tax credit is applied to more than one general excise/use tax account (line 12) and/or transient accommodations tax account (line 13), attach a schedule with the above information identifying each separate Hawaii Tax I.D. Number and the amount of credit applied to each tax account.

Part II RECAPTURE OF KO OLINA RESORT AND MARINA ATTRACTIONS AND EDUCATIONAL FACILITIES TAX CREDIT

Tax Type List the Tax Chapters for which Recapture Occurs	Tax Credit Claimed on Disqualified Costs in the Preceding Year	Recapture Amount
1.		
2.		

NOTE: If more space is needed, attach schedule to detail the applicable recapture.

**PLEASE
SIGN
HERE**

Signature

Date

Print Name

Title

DECLARATION Under penalties set forth in section 231-36, HRS, I declare that I have examined this election, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete.

GENERAL INSTRUCTIONS

Section 235-110.46, Hawaii Revised Statutes (HRS) provides a Ko Olina Resort and Marina attractions and educational facilities tax credit to each qualified taxpayer subject to the taxes imposed by chapter 235 or chapter 237, 237D, 238, 239, 241, or 431, HRS. The tax credit may be claimed for taxable years beginning after December 31, 2004, for qualified costs in the development of facilities for attractions and educational purposes at Ko Olina Resort and Marina.

"Qualified taxpayer" means a person who fulfills the requirements of section 235-110.46(c), HRS, which states that to qualify for the tax credit, a taxpayer shall:

- (1) Have expended qualified costs on and be developing a world-class aquarium and marine science and mammal research facility at Ko Olina Resort and Marina; and
- (2) Dedicate one-half of the net operating income of the world-class aquarium to the State, beginning on the first day of the seventeenth year following the year in which the attractions and educational facilities credit was first taken.

In the case of a partnership, limited liability company, S corporation, estate, trust, or association of apartment owners, the tax credit is allowable for qualified costs incurred by the entity. The costs upon which the tax credit is computed shall be determined at the entity level.

The tax credit authorized under section 235-110.46, HRS, shall be deductible from the taxpayer's net income tax liability, if any, and at the election of the taxpayer, from the tax liability imposed by chapter 237, 237D, 238, 239, 241, or 431. There is maximum tax credit of \$7,500,000 to be claimed and utilized in any one year, in the aggregate for all qualified taxpayers.

For more information, refer to Tax Information Release No. 2006 - 01, "The Attraction and Educational Facilities Tax Credit Established by Act 100, Session Laws of Hawaii 2003."

How to Obtain Tax Forms. To request tax forms by fax or mail, you may call 808-587-7572 or toll-free 1-800-222-7572.

Tax forms are also available on the Internet. The Department of Taxation's site on the Internet is:

www.hawaii.gov/tax

Purpose of Form. Every qualified taxpayer must file Form N-336 with the applicable tax return to claim the Ko Olina Resort and Marina attractions and educational facilities tax credit. A copy of the applicable certified Form N-335 must also be attached to the claim.

When to File. A person claiming the tax credit must file Form N-336 by the due date of the return for which the credits are being applied.

Where to File. Send Form N-336, applicable tax return, and applicable copy of the certified Form N-335 to:

Hawaii Department of Taxation
Attention: KO OLINA CREDIT
P.O. Box 259
Honolulu, Hawaii 96809-0259.

Note: If you are applying the credit to tax liabilities imposed by chapter 431, submit Form N-336 and required attachments to: Department of Commerce and Consumer Affairs, Insurance Division, Attn: Susan Hansen, P. O. Box 3614, Honolulu, HI 96811-3614.

Failure to submit the appropriate forms to the above address, may result in a delay of the credit being applied to your tax liability.

Also, at the same time Forms N-336 and N-335 are submitted with the appropriate filing with the Department of Taxation or with the Department of Commerce and Consumer Affairs, Insurance Division, send a copy of Form N-336 and a copy of certified Form N-335 to the Department of Business, Economic Development, and Tourism. Mail the forms to:

Hawaii Department of Business, Economic Development, & Tourism
Attention: Ko Olina Credit
250 S. Hotel St., Suite 500
Honolulu, HI 96813

SPECIFIC INSTRUCTIONS

Name. Enter the name(s) of the taxpayer claiming the credit(s). Enter the social security number of the taxpayer, if the taxpayer is an individual. Otherwise, enter the taxpayer's federal employer identification number (FEIN). If the individual taxpayer is filing a joint return, enter the spouse's name and spouse's social security number in the DBA or C/O space.

Address. Include the suite, room, other unit number after the street address. If the post office does not deliver mail to the street address and the taxpayer has a P. O. Box, show the box number instead of the street address. If the taxpayer's address is outside the United States or its possessions or territories, enter the information on the Address line in the

following order: city, province or state, postal code, and the name of the country. Do not abbreviate the country name.

Line 1—Enter the credit amount certified by Department of Business, Economic Development, and Tourism (DBEDT).

Note: If you are a fiscal year end filer, certified credits can be used only against taxes that are accrued within the calendar months falling within your fiscal year. See Tax Information Release No. 2006-01 for more information.

Line 4—In the case of a taxpayer who is a member of a pass-through entity (i.e., partnership, S Corporation, limited liability company, estate or trust) enter the name and federal employer identification number of the pass-through entity who has passed the certified Ko Olina Resort and Marina attractions and educational facilities tax credit through to you. If additional space is needed, include the information on an attached schedule.

Enter the total certified credit received from any flow-through entity(ies) on line 4.

Line 6—If you are a fiscal filer, certified credits can be used only against taxes that are accrued within the calendar months falling within your fiscal year. Certified credits and annual cap of the tax credit are used against taxes accruing from the month of January to the month of December. The issued credits will be used over two fiscal years. Enter the amount of certified tax credit(s) indicated for the earlier calendar year which were used in periods before the beginning of the fiscal year.

Line 9—This is your Ko Olina Resort and Marina attractions and educational facilities tax credit available for use for the year.

Lines 10 (c) through 15(c)—Applying the credit to tax liabilities imposed by Chapters 235, 237, 237D, 238, 239, 241, or 431:

Note: If you are a fiscal year filer, the credits can only be used against taxes that are accrued within the applicable calendar months of your fiscal year. See Tax Information Release No. 2006-1 for more information.

Form F-1, Franchise Tax Return. Enter the credit amount to be applied to your franchise tax liability on Schedule H, line 5.

Form G-45, Periodic General Excise/Use Tax Return. If you are applying the credit to your periodic general excise/use tax return and your general excise/use tax liability is less than the amount elected, the credit applied cannot exceed your tax liability for the period. The amount of the tax credit is deducted from the Total Taxes Due. The amount of the tax credit is entered on the Penalty line. Write "Ko Olina Credit" to the left of Penalty and enter the amount of the credit on the Penalty line.

Form G-49, Annual General Excise/Use Tax Return and Reconciliation. The amount of the credit is deducted from the Total Taxes Due. If you are applying the credit to your annual general excise/use tax return and reconciliation, enter the amount of the credit on the Penalty line. Write "Ko Olina Credit" to the left of Penalty and enter the amount of the credit on the Penalty line.

Form TA-1, Periodic Transient Accommodations Tax Return. If you are applying the credit to your periodic transient accommodations tax return and your transient accommodations tax liability is less than the amount elected, the credit applied cannot exceed your tax liability for the period. The amount of the applied credit is deducted from the Total Taxes Due. The amount of the tax credit is entered on the Penalty line. Write "Ko Olina Credit" to the left of Penalty and enter the amount of the credit on the Penalty line.

Form TA-2, Annual Transient Accommodations Tax Return and Reconciliation. The amount of the credit is deducted from the Total Taxes Due. If you are applying the credit to your annual transient accommodations tax return and reconciliation, enter the amount of the credit on the Penalty line. Write "Ko Olina Credit" to the left of Penalty and enter the amount of the credit on the Penalty line.

Schedule CR, Schedule of Tax Credits. Enter the credit amount to be applied to your net income tax liability on Schedule CR, line 13 or enter the estate's or trust's share on Form N-40, Schedule E, line 13.

Form U-6, Public Service Company Tax Return. Enter the credit amount to be applied to your public service company tax liability on Section II, Part I, line G; Part II; line B; or Part III; line D, as applicable.

Insurance Premium Tax — If you elected to apply the available certified credit to the tax liability imposed by chapter 431, submit a copy of the completed Form N-336 to: Department of Commerce and Consumer Affairs, Insurance Division, Attn: Susan Hansen, P. O. Box 3614, Honolulu, HI 96811-3614.

PART II – RECAPTURE

If at any time DBEDT determines that the costs incurred did not or no longer meet the definition of qualified costs, the credits claimed shall be recaptured. The amount of recaptured credits shall be added to your tax liability for the tax types against which the recaptured credits were claimed, in the taxable year in which the recapture occurs.

Complete Part II if recapture occurs. If more space is needed to identify the recapture amounts, attach a schedule.